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Message Text

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ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 STR-07 COME-00 AGR-01 TRSE-00
CIAE-00 INR-10 NSAE-00 NSCE-00 SS-15 INRE-00
SSO-00 /052 W
----------008061 172351Z /13
O R 172258Z AUG 78
FM AMEMBASSY BOGOTA
TO SECSTATE WASHDC IMMEDIATE 9548
INFO AMEMBASSY BRASILIA
AMEMBASSY SAN SALVADOR
AMEMBASSY CARACAS
AMEMBASSY MEXICO
AMEMBASSY GUATEMALA
AMEMBASSY SAN JOSE
AMEMBASSTE TEGUCIGALPA
AMEMBASSY MANAGUA
AMCONSUL RIO DE JANEIRO
AMCONSUL SAO PAULO

C O N F I D E N T I A L BOGOTA 7767

PASS AGRICULTURE ELECTRONICALLY

E.O. 11652: GDS
TAGS: EAGR, CO
SUBJECT: COLOMXIAN VIEW OF BRAZILIAN FROST AND OUTLOOK

REF: BRAZIL 6427

1. AGATT CONTACTED DR. JORGE CARDENAS GUTIERREZ, OF THE COLOMXIAN COFFEE

GROWERS FEDERATION ON AUSUST 16. IN RESPONSE TO QUESTIONS REGARDING THE SEVERITY OF THE BRAZILIAN DROUGHT, DR. CARDENAS MENTIONED THAT IT WAS STILL UNCLEAR TO WHAT EXTENT DAMAGE HAD OCCURED. IN HIS CONFIDENTIAL

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OPINION, IT WILL BE NECESSARY TO WAIT UNTIL SATURDAY. ACCORDING TO HIM THE COLD WAVE OF AIR WAS STILL IN THE AREA AND WHAT DAMAGE THAT MIGHT RESULT MAY NOT BE ABLE TO BE DETERMINED UNTIL SATURDAY, AUGUST 19.

2. DR. CARDENAS MENTIONED A LOWER DAMAGE ESTIMATE OF A MILLION TO A MILLION AND A HALF BAGS, WHILE THE COLOMBIAN PRESS WAS MENTION-

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ING A FIGURE OF TWO MILLION BAHS AS A RESULT OF THE LOW TEMPERATURES.
IN THE COURSE OF THE CONVERSTATION, DR. CARDENAS REITERATED
COLOMBIA'S DESIRE TO AGGRESSIVELY STAY IN EXPORT MARKET. IN ONE
SPECIFIC ARTICLE IN THE COLOMBIAN PRESS, MENTION WAS MADE OF THE
SERIOUSNESS OF A GREEZE AT THIS TIME FOR IT WOULD AFFECT TREE
FLOWERING. MENTIONING THIS TO DR. CARDENAS, HIS REPLY INDICATED
THAT SINCE TREES NORMALLY HAVE THREE FLOWERING PERIODS, THE WORST
DAMAGE THAT COULD BE DONE WITH A SLIGHT FREEZE WOULD BE LOSING
PRODUCTION FROM FIRST DLOWERING, AS OPPOSED TO THE FREEZE IN 1975,
WHICH WAS MUCH MORE PROLONGED, WITH LOWER TEMPERATURES WHEREBY
TREES WERE ACTUALLY DEVASTATED ANF PRODUCTION LOST FOT THAT YEAR
AND ENSUING YEARS.

3. ONE INFLUENTIAL PERSON WITHIN THE FEDERATION, DR. LEONIDAS LONDON
O,
IN REPEATED PRESS STATEMENTS ON THE 15TH AND 16TH OF AUGUST, STATED
THAT SHOULD A HIGH PRICE ARISE AS A RESULT OF THE NEWS IN BRAZIL
ABOUT THE FROST, CAUTION SHOULD BE TAKEN SO AS TO AVOID
SERIOUS DAMAGE TO CONSUMPTION SUCH AS OCCURED AFTER THE FROST IN
1975.

4. FINALLY, IN REFERENCE TO BRAZILIAN BASIC PRODUCTS DIVISION
SHIEF IN THE FOREIGN MINISTRY, JORIO DAUSTER, THAT COLOMBIA STANDS
TO GAIN FROM BRAZILIAN REDUCTION FOR 1978-79, GIVEN COLOMBIA'S
HIGH STOCKS 6.4 MILLION BAGS, THERE APPEARS LITTLE DOUBT CONCERN-
ING COLOMBIA'S POTENTIAL ADVANTAGEOUS POSITION.
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5. IN FOLLOW-UP CONVERSATION WITH GENERAL MANAGER OF COLOMBIAN
COFFEE FEDERATION (CCF), ON AUGUST 17, AGATT AND ACTING ECONOMIC
COUNSELOR INQUIRED FURTHER ABOUT COLOMBIAN INTERPRETATION OF
EFFECTS OF BRAZILIAN FROST AND WHAT POLICY MEASURES MIGHT ENSUE.

6. GOMEZ JARAMILLO AGREED THAT AT PRESENT TOO EARLY TO ADEQUATELY
ASSESS EFFECTS OF EXTENDED COLD TERMPERATURES IN SOME PRINCIPAL
COFFEE PRODUCTION AREAS IN BRAZIL. GOMEZ JARAMILLO DID SAY THAT
WITH A POSSIBILITY OF A 2 - 4 MILLION BAG SHORTFALL IN BRAZIL,
EXPORTS WOULD BE CUT BACK BY A SIMILAR AMOUNT DUE TO THE LOW STOCK
LEVELS AND THEREBY IMPACTING SIGNIFICANTLY ON COFFEE PRICES.
GOMEZ JARAMILLO DID TEND TO FOLLOW COLOMBIAN PRESS ESTIMATES REGARDIN
G
EXTENT OF DAMAGE DUE TO FREEZE, WHEREAS CARDENAS GUTIERREZ'S EXTIMATE
S
WERE LOWER.

7. GOMEZ CLEARLY EMPHASIZED THAT CURRENT FROST IN BRAZIL IN NO WAY
COMPARED TO ONE OF JULY 1975, AS ONLY LEAVES AND FLOWERS BURNT.
ALSO, HE REITERATED CARDENAS'S STATEMENT THAT ONLY FIRST DLOWERING
LIKELY TO BE DAMAGED.

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8. WHEN ASKED ABOUT RESULTANT CHANGE IN POLICY SHOULD PRICE RISE BE SIGNIFICATN, GOMEZ UPHELD THE COLOMBIAN NEED TO EXPORT COFFEE AND CLAIMED HE WAS THE ADVOCATE OF SUCH A POLICY. IN SAME VEIN, AGATT MENTIONED THE INCREASE IN EXPORT MOVEMENTS OF THE LAST TWO MONTHS JUNE, JULY. GOMEZ REPLIED THAT MAXIMUM MONTHLY EXPORT CAPACITY BETWEEN 600-700,000 BAGS.

9. UPON RECAPITULATION OF EARLIER MEETINGS BY ACTING ECONOMIC COUNSELOR, OF GOMEZ JARAMILLO AND SECRETARY BLUMENTHAL, GOMEZ SAID HE WAS A WAITING THE REPLY FROM BLUMENTHAL DISCUSSION WITH ASST. SEC. KATZ.

10. FINALLY, GOMEZ INFORMED EMBOFFS THAT LATIN AMERICAN PRODUKERS
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WOLD BE HOLDING A MEETING INBOGOTA ON AUGUST 22, WHEREBY POLICY POSITION OF LATING COFFEE CLOCK WOULD BE FORMULATED FOR UPCOMING ICO MEEDTING INLONDON SEPTEMBER 13. EMBASSY WILL RELAY ANY INFORMATION OBTAINED SUBSEQUENT TO SUBJECT MEETING.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COFFEE, CROP DESTRUCTION
Control Number: n/a
Copy: SINGLE
Draft Date: 17 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Errors: N/A
Expiration:
Film Number: D780337-0236
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From: BOGOTA
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1978/newtext/t19780851/aaaabpvm.tel
Line Count: 141
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Litigation History:
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Original Classification: CONFIDENTIAL
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Reference: 78 BRAZZAVILLE 6427
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Review Content Flags:
Review Date: 01 jul 2005
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Review Exemptions: n/a
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Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
SAS ID: 1702120
Secure: OPEN
Status: NATIVE
Subject: COLOMXIAN VIEW OF BRAZILIAN FROST AND OUTLOOK
TAGS: EAGR, CO
To: STATE
Type: TE
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